



# H&M'S CLIMATE WORK

Respect for the environment plays a key role in H&M's business and we work actively to limit our impact on the climate. Our strategy is to work with the entire chain, from the fibre to the finished garment.

## **Energy efficiency in stores and warehouses**

Lighting and air-conditioning/heating in H&M's stores and warehouses account for a significant share of the company's carbon dioxide emissions. At the same time, our own operations offer the optimum prerequisites for reducing our impact on the climate.

When we design and build new stores we limit the number of lamps from the outset. Electric fittings and light sources are energy-efficient and we favour the use of timers and movement sensors to ensure that lighting is not left on for longer than necessary. In addition to the reduction in energy consumption, the lamps emit less heat, meaning that the cooling requirement in the stores is reduced. Many stores have electricity meters that can be read via the Internet; in this way we can monitor our consumption of electricity continuously and quickly rectify any deviations.

Within the scope of the European Retail Round Table (ERRT) H&M has also undertaken to:

- reduce energy consumption in our stores by at least 20% per square metre and
- ensure that at least 20% of the energy used by the stores comes from renewable sources.

When H&M's biggest distribution centre to date was built in Allermöhe, Germany, between 2006 and 2008, a number of climate-smart solutions were integrated into it. These include the mounting of 5,300 square metres of

solar cells on the roof, meaning that carbon dioxide emissions can be reduced by nearly 480,000 kg per year.

## **Climate-smart transportation**

H&M's operations and global spread mean a lot of journeys are required to transport our goods. As the company grows, so does the challenge of meeting H&M's transport requirements with the minimum environmental impact.

Our ambition is to limit the amount of goods we transport by air. Air transportation is often combined with other forms of transportation, such as by ship or by rail. Air freight has been continuously reduced in the last few years, resulting in a reduction in carbon dioxide emissions.

Another way of reducing the climatic impact is to transport freight where possible by rail instead of by road. Previously five per cent of goods from Turkey, one of H&M's most important purchasing markets in Europe, were transported by rail – now rail freight accounts for 50%.

H&M sets requirements and monitors the environmental performance of our haulage suppliers and the shipping companies working for it on an annual basis, with the aim of reducing emissions.

## **New initiative in production**

In addition to measuring our own carbon dioxide emissions and gathering information about those of our logistical partners, we are investing in the development of a tool to chart the climatic impact in the chain as a whole - from the fibre to the finished garment. The aim is to make climate-smart choices with regard to design, purchasing and sales on the basis of this overview. ■